

The Transition Supervisory Board met on Tuesday, November 25, 2024, at 11:00 am at 12611 Ravenwood Drive in the Geauga County Office Building and via Microsoft Teams for a Special meeting. Members present: Auditor's Chief Compliance Officer Kate Jacob, Transition Supervisory Board Chair; Jim Dvorak, Geauga County Commissioner; and Celesta Mullins, County Recorder. Other present: Pam McMahan, Auditor's Chief Operations Officer; Ron Leyde, Chief Deputy Auditor; Charles Walder, County Auditor; Paula Heitonen, Claridon Fiscal Officer; Ann Wishert, Geauga Maple Leaf, Former-Aquilla Village Mayor Richard Wolfe; Harry Jacob, Former Aquilla Village Solicitor; Patricia Fisher, Former Aquilla Village Fiscal Officer; Susan Weiland, Assistant Prosecuting Attorney; Kristen Sinatra, Deputy Auditor and Josh Holtz, ADP.

#### Aquilla Village Dissolution Transition Supervisory Board

Chuck Walder started by thanking Prosecutor Flaiz and Assistant Prosecuting Attorney, Weiland for the 18 months of work and charting new ground as they were the first in the State to go through a dissolution under the new law, so they had to be prepared. Also, Mayor Rich Wolf, the Aquilla council, Treasurer and their Solicitor, deserved thanks for their openness and for performing the background work that was needed. Chuck stated he wanted to applaud them for looking out for the best interest of their residents. Chuck also thanked his staff, for over a year they have been doing exploratory work of "what-if" scenarios and he thinks that will help them going forward with this process. Finally, the Auditor of State has provided them with the necessary list of receiver trustees for the Board to begin its important work.

Chuck explained R.C. 703.361, determines that this Transition Supervisory Board be established upon the certification of the November election results. Chuck has designated deputy auditor Kate Jacob to act as Chair for several reasons. Chuck said he trusts Kate's judgement both as a lawyer and our Compliance Officer to work with council to make sure the letter of the law is followed and is done in a manner which expedites this process. Kate's role will be vital to its outcome and success. The ORC was enacted in April of this year, and on April 30<sup>th</sup> took effect. There were 3 dissolutions on the ballot: 2 in southern Ohio and 1 in Geauga County. The two in southern Ohio failed and Geauga's passed. This will be setting the tone for future dissolutions.

The Auditor's Office had previously submitted the 2024 abstract of real property to the State to determine the new property tax rates for 2025. Because of this dissolution passing in November, it had to be modified. A component of that abstract was modified so that the evaluations would shift to no longer to be under the village but to Claridon. ISSG, which is our Computerized Mass Appraisal system, established Aquilla as a neighborhood under Claridon. They also flagged Aquilla Village real estate because that will have to be disposed of under the Transition Supervisory Boards supervision via a receiver. As of last Friday, the BOR approved and amended the abstract which included these changes, and it was immediately transmitted to the State Dept of Taxation. Chuck received an email from the State that approved the submission. One half of the tax work is done to get the tax bills out in January, involving the dissolution of Aquilla village into Claridon. The second half of this will be how to move the property over and prepare the DTE for the end of the year.

Summarizing what he hopes the Board can accomplish, so they can conclude this in addition to its other duties, there remains an outstanding set of questions. One, for example, the local government fund distribution, which is paid monthly to the village, now that it has been certified that the dissolution is taking effect. Two, they are right around the corner of issuing the 2025 tax bills, which will then collect real property tax and will have to distribute those in both the first half and second half form to the entities. Where does that go, to the receiver who then puts that into the hands of whichever party that its being assigned to? Lastly, the disposition of any real property that was owned by the village that is currently being held and tagged in the CAMA system, because it must be disposed of properly, according to the dissolution.

Kate explained the Transition Supervisory Board is a public body who will supervise the dissolution of the village. By statute, there are three voting members. The Auditor, Recorder and one Commissioner which the BOCC appointed Jim Dvorak. There's one non-voting member, which is a Claridon Township representative. Other non-voting members who provide consultation to the Board, include an Aquilla Village representative, former Mayor Rich Wolfe, former fiscal officer, Patricia Fisher and former Solicitor, Harry Jacob.

The voters voted to dissolve the village at the general election on November 5<sup>th</sup> which was certified by the Board of Elections on November 19<sup>th</sup>. Kate stated that the certified election results need to be recorded at the Records office, so they are going to look for that process to occur for the next meeting.

The first step for the Transition Supervisory Board is to appoint a receiver which sets off a 90-day window for any claimants who have any claims against the village. As required by statute, the Auditor of State provided a list of proposed receiver trustees, on November 18<sup>th</sup>.

Motion: by Kate Jacob, seconded by Celesta Mullins to approve the appointment of Pearce Leary as receiver.

Voice votes: 2 ayes, 1 absent, 0 abstain. Motion carried.

Kate introduced the letter from the Auditor of State into the record. Kate stated there are a lot of issues that are challenging without the receiver here and up to speed. There is one issue which is the snow plowing contract that is time pressing and the Board will need to move a bit quicker on. Rich Wolfe stated they already set up the snow plowing with Claridon.

Kate asked if they set up the snow plowing prior to the dissolution.

Harry Jacob replied it was prior to the dissolution when they were still in office.

Kate asked APA Susan Weiland if they will need anything from the receiver or the Board. A potential MOU between the Board or the receiver and Claridon was discussed.

Susan stated they must make sure that Claridon is prepared, aware, and able to take care of the road maintenance and she will prepare the MOU to formalize the agreement.

Motion: by Kate Jacob, seconded by Celesta Mullins to authorize a member of the Board to sign off on the snow plowing MOU with Claridon Township.

Voice votes: 2 ayes, 1 absent, 0 abstain. Motion carried.

Chuck asked Susan, who would the parties be for the MOU since there is no more village?

Susan stated it would have to be the Transition Supervisory Board and the township because they handle the affairs of Aquilla until the receiver accepts his responsibilities. Paula stated that the Claridon trustees' next meeting is the first Monday in December. Susan said they will get the MOU to the Board of Trustees in advance of that meeting.

Kate asked about Aquilla Village fire services.

Harry explained that their contract is with Chardon, and they have been informed of this situation. Chardon Fire is going to continue their coverage, and they do not believe an MOU with Chardon Fire is needed because they are already under contract with Aquilla. His understanding of the law is Claridon takes over those contracts going forward.

Susan asked who Claridon contracts for fire services?

Paula replied Chardon and Burton both.

Chuck asked if anyone knows if Aquilla has paid their fire contract through the end of the year?

Former Mayor Wolfe responded, yes.

Susan stated that if they already paid for the services, that should secure the services through the end of the year.

Kate asked the former Aquilla Village representatives if they have any contracts for services that are outstanding?

They replied, they are all paid for.

Commissioner Dvorak asked if the leaf collection was going to end at a certain time?

Rich replied they had a contract with one contractor for doing leaf pickup and he's been paid. That was paid at the meeting last Friday, on the 15<sup>th</sup>. They also had a paving contract for crack sealing and patching, with Hazen which is also paid. Any contracts they were under, are paid for.

Kate asked if snow plowing was the only outstanding one?

Rich replied both he and Harry went to a Claridon trustee meeting and talked to them about snow plowing and the trustees were on board.

Kate stated that the receiver will need an inventory of Aquilla's assets, and if they do not have one it will need to be prepared or perhaps available from a past audit. The appointed receiver has a ton of responsibilities including power in resolving legal claims, disposing property, administering, collecting taxes, and conducting all other necessary business. Kate proposed that they stay on top of this as a group and schedule a meeting next week. Assuming if Mr. Leary accepts, he would understandably not be up to speed by then, but it would allow the group to get on the same page.

Chuck mentioned there are other items that need to be resolved like new construction for his office, territory issues, and how they designate things, the Board can determine. In terms of future meetings, Chuck mentioned the local government tax issues are handled by the receiver. Chuck stated he read some of the ORC and he believed the local government fund is the most critical because it is done monthly. The tax bill payments are not as critical because those don't happen until tax collection which would be after the first of the year. The November payment was already made, because that was prior to certification of the ballot issue. November's payment for local government fund was made and distributed to Aquilla Village. In reading the statute, they would distribute the December local government fund and supplemental to the receiver.

Kate and Susan agreed.

Kate stated they are in the transition period, which began on the date when the Board of Elections certified the results and ends when the Board determines everything has been resolved.

Chuck asked as the action item for Attorney Leary; how does he want the payment provided? How does he want it titled? Is he going to use the bank account of Aquilla's? Those are details we will need to know. There are about two weeks before the distribution, but it will have to be the first issue for him because that will start giving him revenue to satisfy any bills.

Harry stated that the receiver will take over Aquilla Villages accounts, similar as a trustee in bankruptcy. The receiver is the only one after the 19<sup>th</sup> of November that is entitled or empowered to sign a check. Harry continued that if Mr. Leary accepts, he steps in for the local government, and he did not think they need to change their banking, but that would be up to Mr. Leary.

Susan replied she does not have the details of the technical parts of the receivership. As a receiver, he should be familiar with how to handle the accounts and how to set something up if he needs to. Harry added they have a scheduled audit with the State Auditor.

Patricia commented the 2021 and 2022 audits are not done. She stated she met with Dennis the Auditor two weeks ago. Also, 2023 and 2024 must be completed. One of the biggest issues is monies were put into the wrong funds, so she is working with Dennis to try to figure it out. She just recently became the fiscal officer in September. Patricia also found out they have not paid state taxes for over a year and a half. She is trying to set up a new account since she cannot access the current account. She did get all the PERS caught up because they hadn't paid that all year. There are bills that come in every month, like the electric bill, which gets paid online. There's a zoning employee that was paid wrong for half of the year.

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Susan replied she believes the receiver will handle all these issues. Also, the Auditor of State is aware of this transition so whoever is conducting the audit, when they come out, they will know this is happening. She is guessing the receiver will take part in that as well.

Kate stated some of the timeline for your normal audit will be superseded by this timeline for the transition period.

Harry stated the Auditor knows that this is happening, and they sent for a final audit

Patricia replied the 2021 and 2022 audit, he must get the final paperwork together. She sat down with him on the 15<sup>th</sup> of November, and he is trying to get the numbers because a lot of the stuff was put into the wrong funds which was his major concern. They want to make sure when they transfer the financials over to Claridon, everything is in the right funds.

Kate stated to Patricia, the receiver will step into her role, and he will need her assistance to input data, but everything will be at his direction. Kate added he might need Patricia to execute some of it, but it will be at his direction. Kate continued she will reach out to Mr. Leary after this meeting, and hopefully he will accept, and she will get him all the information they have and all the contacts for them and get this moving.

The next meeting was scheduled for December 3<sup>rd</sup> at 1pm.

BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, Kate Jacob motioned to adjourn.

Respectfully submitted,



Kate Jacob  
Transition Supervisory Board Chair

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Jim Dvorak

County Commissioner



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Celesta Mullins

County Recorder